



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

December 13, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

McKay Oil Corporation
c/o Southwest Petroleum Land Services, LLC
100 N. Pennsylvania
Roswell, New Mexico 88203

Attention: **Jim Schultz**

30-005-63792

RECEIVED

DEC 19 2005

000-ARTESIA

Re: Your recent administrative application (*administrative application reference No. pSEM0-533328958*) for McKay Oil Corporation's proposed L.L. & E. "B" Federal Well No. 1 (*API No. 30-005-63792*) to be drilled at an "unorthodox" gas well location 1500 feet from the South and East lines (Unit J) of Section 12, Township 6 South, Range 22 East, NMPM, West Pecos Slope-Abo Gas Pool (82740), Chaves County, New Mexico.

Dear Mr. Schultz:

The proposed location for McKay Oil Corporation's L.L. & E. "B" Federal Well No. 1, an infill West Pecos Slope Abo gas well within the existing 160-acre standard gas spacing unit comprising the SE/4 of Section 12, is considered to be standard pursuant to Rule 4 of the "Special Rules and Regulations for the West Pecos-Slope Abo Gas Pool," as promulgated by Division Order No. R-9976-C, dated March 19, 1996, as amended by Division Order No. R-9976-D, issued in Case No. 13057 on February 4, 2004.

This application, deemed unnecessary, is hereby withdrawn and is being returned to you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MEF/ms

cc: New Mexico Oil Conservation Division – Artesia
U. S. Bureau of Land Management – Roswell
Ms. April McKay, Vice President – McKay Oil Corporation, Roswell